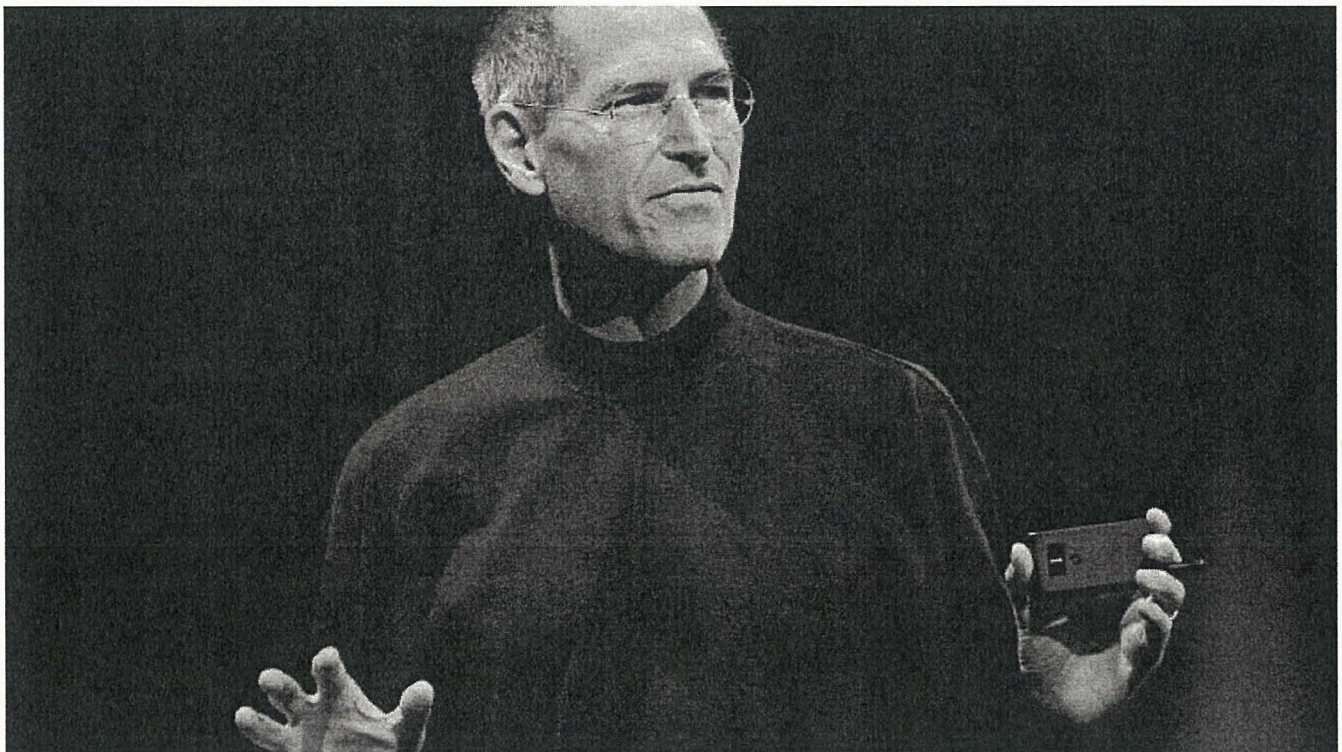


EXHIBIT 449



News Flash: Steve Jobs Bullied Rivals And Was Kind Of A Dick

Dan Lyons posted 4 hours ago



Apple, Google and Intel are being sued for striking a secret agreement among themselves not to poach employees from each other. Which is, um, how should we put this? Not kosher? "Likely illegal," is how Ed

449.1

Colligan, former CEO of Palm, described it when they asked him to join the devil's bargain. Because, yeah. Turns out it's frowned upon when companies collude to keep workers from making as much money as they can.

The pact now may come back to haunt these companies as employees are suing them over lost wages. The damages could run into the hundreds of millions.

But the best part, as always, is the treasure trove of documents coming out in discovery. The best ones are the ones that show Apple CEO Steve Jobs throwing temper tantrums and threatening lawsuits when competitors hire away his engineers. (The Verge has a great rundown with lots of documents.)

The best one, reproduced below, is a threatening letter Jobs wrote to Colligan in 2007. Jobs was furious because Jon Rubinstein, a former top engineering exec at Apple (he led development of the iPod) had joined Palm to create a new smartphone platform and was recruiting talent out of Apple. Never mind that Ruby, as he's known, had left Apple more than a year before, and was semi-retired and living in Mexico when Palm lured him off the beach to come run their team. Jobs viewed Ruby as a traitor. Because, apparently once you've worked at Apple you can never compete with Apple, ever again. Who knew?

Thermonuclear, Part One

In a statement he provided for the lawsuit, Colligan says that in August 2007 Jobs called him and said that if Palm did not strike a no-hire pact with Apple, Apple would sue Palm for patent infringement.

Wait, patents? Apple was going to use patents as a weapon? Who'da thunk it?

Colligan told Jobs to get stuffed, and reminded him that Palm, a longtime phone maker, had patents of its own. Jobs fired back with the following letter reminding Colligan of the "asymmetry in the financial resources of our respective companies," which when translated into English means, *We have way more money than you do and can tie you up in court forever and destroy you financially.* Check it out:

From: "Steve Jobs" <sjobs@apple.com>
Subject: Fwd: Your proposal
Date: Sun 8/26/2007 11:42 am
Size: 4K
To: "Ed.Colligan@palm.com" <Ed.Colligan@palm.com>
Cc: "Steve Jobs" <sjobs@apple.com>

Ed,

This is not satisfactory to Apple.

It is not just a matter of our employees deciding they want to join Palm. They are being actively recruited using knowledge supplied by Jon Rubenstein and Fred Anderson, with Jon personally participating in the recruiting process. We must do whatever we can to stop this. I'm sure you realize the asymmetry in the financial resources of our respective companies when you say: "We will both just end up paying a lot of lawyers a lot of money."

Just for the record, when Siemens sold their handset business to BenQ they didn't sell them their essential patents but rather just gave them a license. The patents they did sell to BenQ are not that great. We looked at them ourselves when they were for sale. I guess you guys felt differently and bought them. We are not concerned about them at all. My advice is to take a look at our patent portfolio before you make a final decision here.

Steve

Apple fanblogger John Gruber seems to think this letter is just the coolest thing ever, a "stone cold" message that shows "the man did not beat around the bush."

But wait a minute. Let's look at what happened here.

1. Jobs proposed something to Palm that was "not only wrong," but also "likely illegal," as Colligan put it.
2. Colligan refused to do something illegal.
3. As punishment, Jobs threatened to drag Palm into years of bogus patent lawsuits. He was perfectly willing to use (abuse?) the court system to hurt a rival.

And we're supposed to see Jobs as some kind of hero?

Keep in mind that the real victims of what Jobs was proposing are front-line engineers whose incomes would be constrained because their bosses had struck a deal not to poach from one another. This was rich guys making deals to screw their engineers and boost their own profits.

This was Saint Steven of Cupertino.

Worse, Jobs was stupid enough to put this all into writing. Forgive me for being less than impressed.

And forgive me for thinking that this casts Apple's crazy legal war against Samsung in a new light. Maybe isn't all about "principles," as Tim Cook likes to say. Do you reckon the CEO at Samsung has threatening letters just like this one somewhere in his files?

Behind The Scenes

As it happens, back in 2007 when this was taking place I knew some of the parties involved and they were regaling me with stories about how Jobs losing his nut over Palm. The paper trail that is coming to light now barely touches the surface of what Jobs was doing.

The stories I heard involved epic temper tantrums, angry phone calls, screaming matches, people from Palm being summoned to Jobs's office at Apple and shouted at, threatened, insulted, belittled, by a grown man acting like a spoiled 5-year-old.

And why? Just because Steve Jobs thought he should have the smartphone market all to himself.

Just, wow.

Image courtesy of Reuters.

Tags:

- Apple,
- Steve Jobs,
- Google,
- Intel,
- Palm



44 9.3

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Dan Lyons is Editor-in-Chief of ReadWrite. Previously, Dan was Technology Editor at *Newsweek*. Before that he spent a decade at *Forbes*, covering technology. Dan was the creator of "The Secret Diary of Steve Jobs," a satirical blog written in the persona of Fake Steve Jobs. He has published three novels, written comedy for TV, and published articles for *Vanity Fair*, *Wired*, *The New York Times Magazine* and many others. He has appeared as a guest on CNBC, MSNBC, CNN, BBC, Bloomberg TV, Fox Business News and National Public Radio, and is a frequent speaker at corporate and industry events.

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